State Water Project Contractors Authority

1121 L Street, Suite 1045, Sacramento, CA 95814

December 9, 2010

Mr. Mark W. Cowin, Director Department of Water Resources 1416 9th Street Sacramento, CA 95814

Mr. Donald Glaser, Regional Director U.S. Bureau of Reclamation 2800 Cottage Way Sacramento, CA 95825-1898

RE: Delta Habitat Conservation Plan and Conveyance Program Status

Dear Mr. Cowin and Mr. Glaser:

The purpose of this letter is to provide input collectively on behalf of the State Water Project (SWP) contractors who are participating in the Delta Habitat Conservation and Conveyance Program (DHCCP). With the recent notice of withdrawal by Westlands Water District (WWD) and San Luis & Delta -Mendota Water Authority (SLDMWA), SWP contractors see a need to develop and consider adopting alternative approaches for successfully completing the Bay Delta Conservation Plan (BDCP) and DHCCP.

As of the date of this letter, SWP contractors are committed to successfully completing the BDCP, the environmental documentation being prepared by the DHCCP and ultimately, a successful conservation plan for the Delta that includes conveyance for water users. However, while SWP contractors are committed to completing the BDCP, we share many of the concerns stated by WWD and SLDMWA. In short, a successful BDCP will require a higher level of constructive engagement and leadership by federal agencies than has occurred to date.

The DHCCP and BDCP are both currently considerably behind schedule. Neither effects analysis nor decisions on the BDCP project description are defined. There are no curr ent commitments from federal and state agencies to a schedule or process for resolving the "Big 6" and "Methodology" items delaying the effects analysis. As a result the entire program is delayed and associated costs continue to mount. In the absence of a completed effects analysis, the SWP contractors are concerned that it is not fiscally prudent to continue with development of related DHCCP environmental documentation. Additionally, the federal agencies have indicated change s in operations criteria for the EIR alternatives may be required; further contributing to significant rework, delays and increased costs.

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From past DHCCP Executive Committee discussions, we understand that all, or nearly all, of the background preparation of environmental documentat ion is complete, with the exception of the effects analysis. Absent completion of the effects analysis, a BDCP project description that meets SWP contractors' needs, and agreement by the federal lead agencies not to change operations in the alternatives, the SWP contractors are not generally disposed to continue the current level of DHCCP effort.

To help resolve this concern, the SWP contractors request that the DHCCP develop an alternative work plan that includes budget and schedule strategies t o provide for completing the effects analysis, bringing the BDCP to a decision point for SWP contractors, and minimizing costs. This alternative work plan should reserve funding for later completion of DHCCP environmental documentation and consider reductions in c urrent levels of State and Federal staff activity on the DHCCP.

Given current relatively high DHCCP spending levels of more than \$5 million per month, time is obviously of the essence and SWP contractor members of the DHCCP Executive Committee look forward to discussing this alternative work plan at the next Executive Committee meeting on December 16.

If you have any questions about our request, please contact me at (760) 398 -2651, or Mary Lou Cotton at (805) 973-5700.

Sincerely Yours,

Steve Robbins, President

Delta Specific Project Committee

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